

<u>Brazilian Partner</u>	<u>International Partner</u>	<u>Main Target Market</u>
Monteiro de Carvalho		
Globopar		
Bradesco	SouthWestern Bell /Stet	Sao Paulo
Sid Telecom		
Andrade Gutierrez		
OAS	GTE / AT&T	Sao Paulo
Construtora Odebrecht		
Unibanco	Motorola / Ameritech	Sao Paulo
Ioschpe/ Maxion	Bell Canada Enterprise	3 Southern States
Estado de S.Paulo		
Safra	Bellsouth	Sao Paulo

The market for cellular equipment is already very competitive in Brazil. This is due mainly to aggressive marketing by locally established Ericsson and NEC. Newly arrived international manufacturers such as Nortel (Motorola/NT), AT&T, and Novatel are achieving initial market penetration only by offering low prices (Alcatel and Siemens have no AMPS standard equipment offers).

The 150,000 new line annual market (to be reached in 1993) will generate US\$ 300 million if related technical assistance, consulting services and digital transition during the period are included. The market for cellular users' terminals could reach over 100,000 units in 1994 (50,000 in 1993), meaning US\$ 100 million in additional sales and maintenance revenue. Users are free to import their own terminal and cellular sets free of import tariffs, but local taxes of 33% are applicable.

Cellular is one of the fastest growing telecommunication markets in Brazil. The Brazilian basic network (10 million lines) will need to be doubled by the end of the 90's in order service inland and minor cities not efficiently served today.